

This record is a partial extract of the original cable. The full text of the original cable is not available.

UNCLAS SECTION 01 OF 02 GENEVA 001903

SIPDIS

PASS USTR FOR BROADBENT, DWOSKIN, ROHDE
STATE EB/OT FOR CRAFT
DOC ITA/JACOBS AND SJONES
DHS/CPB/VBROWN, SPERO, SCHMITZ
DHS FOR PATTON

E.O. 12958: N/A

TAGS: [ETRD](#) [USTR](#) [WTRD](#)

SUBJECT: WTO TRADE FACILITATION NEGOTIATIONS - JUNE AND JULY
2005

1. Summary. This cable reports on the June and July meetings of the WTO Negotiating Group on Trade Facilitation (WTO NGTF), held in Geneva on 12-13 June and 25-26 July, 2005. Matt Rohde (USTR), Rachel Shub (USTR Geneva), Gordana Earp (Treasury), Ann Barnett-Dahl (Commerce), Christina Kopitopoulos (CBP, DHS), Allison Levy (CBP, DHS), Virginia Brown (CBP, DHS), and Patterson Brown (USAID) attended on behalf of the USG. The high level of positive and constructive engagement by Members from all levels of development remained a hallmark of the NGTF. Delegations mainly focused on technical aspects of the many proposals, and in some cases recounted their own experiences with particular customs reforms. The June and July meetings included informal sessions devoted to discussing how to fulfill the NGTFs mandate to ensure implementation of the eventual obligations through the identification of individual Members' needs and appropriate technical assistance. The July meeting also considered a paper cosponsored by India and the United States, which the Chair hailed as a historic joint effort unprecedented in the GATT and WTO. The paper proposes possible multilateral approaches to customs cooperation and information sharing, laying down a framework for future work and identifying the issues that would need to be addressed. One measure of the progress of the NGTF was the increasing use by Members of a parlance that included reference to a future WTO "Agreement" that would include new "commitments." End Summary.

June Meeting

2. There were eight new papers presented at the June meeting. Taiwan submitted a paper concerning its experience in providing special procedures for express shipments, which complemented an earlier U.S. proposal. Argentina proposed WTO website links to national websites, and raised whether, with technical assistance for translation, developing country Members' websites might at least be able to have information in one of the WTO official languages (English, Spanish or French). China and Korea put forward proposals on risk management, with Japan providing its experience in risk management in a separate paper. Turkey and the EU presented papers with numerous ideas concerning transparency and customs reform, several of which had been submitted by others in past meetings. Norway relayed its experience on border cooperation.

3. Significantly, sixteen Latin American countries (Argentina, Bolivia, Brazil, Chile, Columbia, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Paraguay, Peru, Uruguay, Dominican Republic, Costa Rica, and Panama) joined in submitting a practical approach to ensuring that individual needs of Members were identified and that the issues of technical assistance, cost, transition, and special and differential treatment, were met, all clearly linked to the individual TF obligations as they were developed in the negotiating group. The paper, which made reference to new "disciplines," was largely well-received, with countries as diverse as China, India and the United States in basic agreement with the approach. The paper provided material for a subsequent "informal" session at which developing countries searched expressed hope for finding a practical way forward to ensure that they were able to identify the difficulty or extent to which they would be able to comply with certain disciplines, and ensure technical assistance.

4. On the margins, the United States held a mini-workshop explaining how express shipments are handled by US Customs. The workshop was very well attended by developing country representatives, many of whom had not realized that such procedures (including overtime of customs agents and any special facilities) are normally funded by the very industry that receives the benefit, through user fees or specific contributions, and that each company only receives expedited treatment of imports it handles if it complies with extra procedural requirements such as providing extra information on a specified timely basis.

July meeting

5. At the July meeting, five new proposals were tabled, the most significant of which was the proposal cosponsored by the U.S. and India co-sponsored a proposal on the creation of a customs information sharing mechanism. This was the first time the two countries have co-sponsored a proposal either in the GATT or WTO.

The proposal received support, including from China and smaller countries (Mauritius, Paraguay and Jamaica), while South Africa announced its desire to be an additional cosponsor. A few developed Members, including Canada and the EC, raised concerns about protecting business proprietary information, an issue flagged in the paper as something that would have to be addressed.

16. In addition, Japan and Singapore submitted papers on their experiences using pre-arrival examination and a single window system, respectively, while Korea submitted a new proposal on the utilization of a post-clearance audit system.

17. The July meeting saw another informal discussion on the issues of developing country concern (needs identification and technical assistance.) The discussion this time was enriched by a paper from the Africa Group that appeared to build on the Latin American paper from the June meeting. The Africa Group submission was notable for its practical tone, concrete suggestions, and the absence of rhetorical demands.

Next steps

18. The next meeting of the NGTF is scheduled for 19-20 September, 2005. In the fall, the Chair intends to revisit the proposals in the context of a thematic matrix/compilation that has been assembled by the Secretariat. This process will provide the opportunity to flesh out some proposals, see where some of the over 50 proposals overlap or are redundant, and hear more specific reactions by delegations. Working on a thematic basis through the matrix could provide a crucial next step toward ensuring the negotiations are on a path toward a Doha negotiating outcome that includes an Agreement on Trade Facilitation. Shark